CHAPTER NO. 966

SENATE BILL NO. 468

By Williams, Bowers, Herron, Finney, Burks

Substituted for: House Bill No. 640

By Favors, McCord, Montgomery, Cooper, DuBois, Marrero, Campfield, Gresham

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 7, Part 10, relative to credentialing of physicians employed by federally-qualified community health centers for certain purposes.

WHEREAS, since the Federal Bureau of Primary Health Care requires all federallyqualified health centers to assess the credentials of each licensed or certified health care practitioner providing care at the centers to determine that the practitioner meets federal standards prior to employment; and

WHEREAS, such credentialing requires primary source verification of the current licensure; relevant education, training or experience; current competence; and health fitness or the ability to perform the requested privileges; and

WHEREAS, such credentialing further requires secondary source verification of government- issued picture identification; Drug Enforcement Administration registration; hospital admitting privileges, as applicable; immunization and PPD status; and life support training; and

WHEREAS, with such in-depth credentialing requirements already being performed, it is the sense of this general assembly that a change should be made in the state law to permit practitioners working at federally-qualified community health centers to be reimbursed for care rendered to TennCare enrollees from the date such practitioner's application is submitted for credentialing by a TennCare managed care organization; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

- SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 10, is amended by adding the following as a new, appropriately numbered section:
 - (a) Health insurance entities, as defined in § 56-7-109, that contract with the state and perform services for the TennCare program or any successor program pursuant to Title 71 shall establish reasonable protocols and procedures for reimbursing physicians employed by federally-qualified health centers, so long as such protocols and procedures do not violate National Committee for Quality Assurance (NCQA) standards. At a minimum, such protocols and procedures shall:
 - (1) Subject to approval of a physician credentialing application, permit physician reimbursement for rendered services from the date the physician's completed credentialing application is received for consideration by the health insurance entity; provided, however, that a contractual relationship exists between the provider, or the group (or the facility) for whom the physician works; and

- (2) Require that any reimbursement paid such physician shall be retroactively recouped or rescinded in the event such physician's credentialing application is denied.
- (b) As an alternative to subsection (a), health insurance entities, as defined in § 56-7-109, that contract with the state and perform services for the TennCare program or any successor program pursuant to Title 71 may establish an expedited credentialing process for reimbursing physicians employed by federally-qualified health centers, so long as such process does not violate NCQA standards.
- (c) As used in this section, the term "federally-qualified health center" means such entities as they are defined in §§ 1905 and 1861(aa) of the federal Social Security Act.
- (d) Nothing in this section shall require reimbursement of physician-rendered services that are not benefits or services covered by the health insurance entity.

SECTION 2. This act shall take effect January 1, 2007, the public welfare requiring it.

PASSED: May 27, 2006

JOHN S. WILDER SPEAKER OF THE SENATE

Y NAIFEH, SPEAKER

APPROVED this 27th day of June 2006

PHIL BREDESEN, GOVERNOR